

**Managed Risk Medical Insurance Board
HFP Advisory Panel Meeting
August 7, 2007
West Sacramento, California**

Members Present: Jack Campana, William Arroyo, Ellen Beck, M.D., Martha Jazo-Bajet, M.P.H., Tawnya Soden, Steven Tremain, M.D., Takashi Michael Wada, M.D., Paul Morris, D.D.S.

MRMIB Staff: Lesley Cummings, Shelley Rouillard, Ruth Jacobs, Thien Lam, Ruben Mejia, Susan Keim, Judy Torres, Leoniza Munoz, Melissa Ng

Introduction

Jack Campana, Healthy Families Program (HFP) Advisory Panel Chair, opened the meeting by introducing himself and welcoming two new Panel members, Tawnya Soden, Subscriber Representative, and Dr. Takashi Wada, County Public Health Representative. Mr. Campana also congratulated Dr. Ellen Beck and Dr. Steven Tremain on their reappointments and thanked them for their dedication in continuing to serve on the HFP Advisory Panel. Mr. Campana continued with introductions and asked the Panel members, Managed Risk Medical Insurance Board (MRMIB) staff, and the audience to introduce themselves.

Appointment of HFP Advisory Panel Members and Oath of Office

Mr. Campana announced the appointment and re-appointments of 7 panel members.

- Ellen Beck, M.D. - Family Practice Physician Representative;
- Steven Tremain, M.D. - Disproportionate Share Hospital Representative;
- Tawnya Soden – Subscriber Representative (Mendocino County);
- Brittany Pace – Subscriber Representative (Mendocino County);
- Maria Rangel – Subscriber Representative (Alameda County);
- Irma Hernandez – Subscriber Representative for a child receiving benefits through the California Children's Services (Sacramento County); and
- Takashi Wada, M.D. – County Public Health Representative.
- Karen Lauterbach – Representative from a Licensed Nonprofit Primary Care Clinic

Thien Lam, Special Projects Section Manager for MRMIB, administered the Oath of Office to four Panel Members, Dr. Beck, Dr. Tremain, Ms. Soden and Dr. Wada, who were present at the meeting.

Review and Approval of the February 6, 2007 HFP Advisory Panel Meeting Summary

The Panel made a motion to approve the February 6, 2007 HFP Advisory Panel Meeting Summary.

Department of Health Care Services

New DHCS effective July 1, 2007

Vivian Auble, DHCS Chief, Medi-Cal Eligibility Division, updated the Panel on the split of the Department of Health Services into two departments, the Department of Health Care Services (DHCS) and the Department of Public Health (CDPH). Ms. Auble provided the Panel with the new organization chart for the Department of Health Care Services and noted that the formerly 4 largest divisions have divided into 12 separate Divisions. Ms. Auble briefly highlighted the chart identifying new sections and the people that would head each division.

Ms. Auble gave a general description of the duties of the Safety Net Financing Division which includes responsibility for providing payment of more than 6 billion dollars annually in federal funds to California's safety net providers, as well as 500 million dollars in federal reimbursement for supplemental county programs.

The Panel asked that someone from CDPH attend the next Advisory Panel meeting to provide an organizational chart and program information.

The Panel asked if the DHCS website was updated to reflect the changes due to the split of the department, and Ms. Auble confirmed that the website is up to date regarding the split, but information down to the each unit level may still be in progress.

Outreach, Enrollment, Retention and Utilization (OERU)

Ms. Auble gave the Panel a brief overview on the OERU grants. Ms. Auble stated that the grants were funded at the beginning of 2006-2007 fiscal year, and as of February 2007, 32 counties had been participating in the allocation grants. Twenty of those are level 1 Counties which include the largest urban counties, representing 93% of all eligible but not enrolled children in HFP. In the 2006-2007 fiscal year \$6.6 million was funded for level 1 Counties. A total of \$3 million was allocated for the remaining level 2 Counties.

Ms. Auble noted that the level 1 and 2 counties had submitted budgets and programs that had many commonalities between them. Both had programs reaching children using school lunch programs and soccer leagues. Other programs included volunteers for the non- English speaking population, enrollment assistance, routine community meetings to discuss OERU, and assistance from faith based organizations. Ms. Auble explained that since initial county plans and budgets were not approved until February 2007, many counties are still in the process of implementing programs.

Ms. Auble informed the Panel that DHCS will have more progress to report during the fourth quarter update at the next meeting. As of the third quarter of the program, about a million dollars has been billed and approximately 32,000 children have been reached. Approximately 11,000 of those are enrolled in HFP.

Lesley Cummings, MRMIB Executive Director, noted that there has been a spike in enrollment since January that is shown on the attachment for Agenda Item 11j, the Healthy

Families Enrollment Report. Since the OERU contracts were not in place until February, Ms. Cummings inferred that the spike may have been due to a combination of reinstitution of outreach, application assistance and funding of local projects.

Mr. Campana questioned whether the outreach being done was focusing on initial enrollment only, and if retention was being considered as well. Ms. Auble confirmed that counties were including assistance in renewal in their programs. Bill Walsh, DHCS Policy Section Chief elaborated by saying that counties will be focusing on utilization beginning later next year and into the third year before focusing on retention, which will follow in the coming years. Mr. Walsh explained that this aspect was not something that would be specifically studied as part of the process, but agreed that it was something they should have information on.

Revised Joint Application

Ms. Auble stated that the Governor's Budget from 2005-2006 provided resources to redesign the Joint Medi-Cal and Healthy Families Application. She noted that the project included the establishment of a Stakeholder Advisory Group which included advocates, County Welfare Departments, staff representation in Managed Care Providers and Application Assistors. She also highlighted major differences in the application prototype with revisions that include a layout redesign that is more user-friendly and has been tested by focus groups throughout California. Ms. Auble also noted that the revised joint application is expected to be available by Fall, translated into 11 languages with updates to Health-e-App as well.

SB 437 Implementation

Ms. Auble stated that SB 437 includes new presumptive eligibility, the WIC Gateway, and replaces the current bridging program to Presumptive Eligibility. She said that currently there have been meetings with the WIC program to discuss the scope of work and it is anticipated that the contractor, Quick Solutions, will finalize the scope of work by July of 2008.

Thien Lam, MRMIB manager, stated that rather than requiring proof of income SB 437 also requires the HFP and Medi-Cal to establish a self certification process. Ms. Cummings stated that Medi-Cal will begin piloting self certification in two counties, Santa Clara and Orange, while Healthy Families will be implementing self certification system wide at the Annual Eligibility Review (AER). Ms. Cummings explained that the HFP felt that doing self certification at AER was safer because documentation had been provided at the initial application. Ms. Cummings also noted that some of the larger reform proposals may push the program farther in the future.

Ms. Lam confirmed for the audience that application assistance is available in all counties.

The Panel voiced concern about programs being affected by the DHS split. Ms. Auble responded that there would be more highlight on Public Health by raising it up to the same level as Medi-Cal. Ms. Auble stated that DHCS and CDPH have interagency agreements and will continue to work together and have information on all programs.

SCHIP Reauthorization

Ms. Lesley Cummings, Executive Director of the MRMIB, updated the Panel on the status of SCHIP reauthorization. Ms. Cummings explained that the Senate Finance Committee bipartisan bill authorizes an additional \$35 billion above the baseline for 5 years. However, the bill does not include federal funding for legal immigrant children and imposes stricter documentation requirements to demonstrate a child's citizenship or immigration status, similar to Medicaid. Ms. Cummings stated that the stricter documentation requirements would deter families from applying. Ms. Cummings explained that the House Bill includes \$47 billion over the baseline for 5 years, includes funding for legal immigrants and covers individuals ages 19 – 25. The House Bill will be passed to the Senate floor this week. Ms. Cummings informed the Panel that the President threatened to veto both bills.

The Panel inquired how HFP could cover legal immigrant children. Ms. Cummings responded that HFP uses state dollars and that legal immigrants are able to get Federal Financial Participation (FFP) after being in the U.S. for 5 years.

The Panel questioned once reauthorization has passed whether they will have to follow it for a number of years or whether it will be decided annually by Congress. Ms. Cummings explained that the Senate Bill provides 5 years of funding, while the House Bill provides 10 years. Ms. Cummings stated that they would need the President to sign one of the bills or else the program would have \$265 million dollars less than what is being spent, thus causing the program dire consequences. Ms. Cummings informed Panel Members that the MRMIB website includes reports and side-by-side comparisons of these bills to assist the public and others in keeping track of them.

Dr. Beck, M. D., proposed the Panel develop a strategy to reach a leader and made a motion to support the House Bill. William Arroyo, M.D., seconded the motion, and the motion was passed by the Panel.

State Legislative Update

Health Care Reform

Ms. Cummings gave an update on Health Care Reform. Ms. Cummings stated that the Governor's Proposal had not yet been put into bill form, and the bill that was moving through the legislature was AB 8 (Nuñez). Ms. Cummings further noted that MRMIB anticipated that once the budget is done there will be some dedicated engagement between the administration and the legislature. The legislature and the administration's principal differences have to do with the extent of financing through employers and establishment of an individual mandate. She stated that the Governor's proposal establishes a 4% tax on employers as well as provider fees on physicians and hospitals while AB 8 (Nuñez) establishes a 7.5% on employers. Ms. Cummings stated that with the individual mandate under the Governor's proposal, insurers would have to guarantee issue all insurance, while AB 8 (Nuñez) makes more modest changes to individual market rules. However, it also makes insurance reforms in the market for mid-size employers. Mr.

Campana commented that the Governor's proposal is more comprehensive and universal compared to AB 8 (Nuñez).

The Panel commented that there was not much about covering undocumented adults. Ms. Cummings stated that under the Governor's proposal undocumented adults are the responsibilities of the county government. AB 8 does not include language explaining what type of health coverage an undocumented person should receive if coverage is obtained through the employer.

The Panel questioned what would happen to MRMIB should health care reform occur. It is not clear how MRMIB would be expanded and additional responsibility would be required of MRMIB. Ms. Cummings explained that staff is currently working on the details by identifying support and resource needs for the Governor's proposal and AB 8 (Nuñez). However, the information will not be available unless something is passed. She also noted that the California Health Care Foundation (CHCF) and Institute for Health Policy Solutions have been generous in assisting MRMIB in analyses and providing technical assistance to state policymakers.

Mr. Campana noted that if there is no universal coverage and only a pool of high risk individuals, there is a risk of not receiving an early diagnosis. Mr. Campana asked for a motion to support universal coverage. Dr. Morris seconded the motion and the motion was passed by the Panel.

Dr. Arroyo stated that there was a great concern from the County Mental Health providers, because of the fact that there was no mental health or substance abuse treatment benefits mentioned in either proposal. Ms. Cummings noted that the approach of the Assembly Bill and the Governor's Proposal is to have the benefit structure established by MRMIB for a certain amount of dollars depending on what can be afforded.

Award of Contract for Phases II and III Evaluations of HFP Mental Health and Substance Abuse Services

Ruben Mejia, MRMIB Benefits Research Specialist, presented information on Phases II and III of the Evaluation of Mental Health and Substance Abuse Services. Staff recommended Macias Consulting Group for their comprehensive yet cost effective proposal. Mr. Mejia noted that Macias' evaluation will consist of site visits, focus groups, case studies, interviews, performance measurement, documentation analysis, comparative analysis, and statistical analysis. He also stated that Macias intends to identify the number of subscribers who have utilized mental health or substance abuse services, determine the average time between referral and treatment, and identify standardized screening tools used by the plans and how they tie in with treatment referrals and service. Mr. Mejia explained that Macias will survey the HFP plans and some counties as part of the evaluation.

Mr. Mejia also noted that Macias will evaluate a Mendocino County mental health project funded under the Rural Health Demonstration Project. Ruth Jacobs, MRMIB Manager for Benefits and Quality Monitoring, stated that through the evaluation MRMIB will be able to assess how and what the county is doing regarding available services. Mr. Mejia

continued with explaining other evaluations including ethnic and linguistic representation of HFP, and with assessments of the demographic make-up of plan provider panels compared to the HFP population.

Dr. Beck expressed concern about the Phase I report on Seriously Emotionally Disturbed (SED) children and asked for an update at the next Panel meeting.

Ms. Cummings mentioned that Ms. Rouillard, MRMIB's Deputy Director of Benefits and Quality Monitoring, will be heading up a project to work on the development of a claims/encounter system since the Board has not been satisfied with the information available on health care utilization from the Health Plan Employer Data and Information Set (HEDIS) report. Ms. Rouillard commented that MRMIB is working with MAXIMUS on the encounter database.

Dental

Administration of General Anesthesia as a Covered Dental Benefit

Ms. Jacobs updated the Panel at the July 25, 2007 Board Meeting regarding general anesthesia as a covered dental benefit. She stated that the California Dental Association (CDA) testified regarding general anesthesia provided in the dental office and whether the dental plan would be paying for its use.

Mr. Campana noted that one of the Board members suggested that CDA should negotiate with the plans regarding how general anesthesia in the dental office should be paid. Ms. Cummings added that the benchmark plans for dental coverage is the California Public Employees Retirement System (CalPERS) and CalPERS does not offer this benefit. Ms. Jacobs also commented that the Board did not want to take on issues of professional behavior. Ms. Jacobs stated that there were many issues regarding use of general anesthesia in the dental office. The Board thought that CDA should work with the plans to understand the standards of practice in this area, and to work out with the health plans how they administer general anesthesia services and its reimbursement.

Dental Advisory Committee

Ms. Jacobs informed the Panel that the Dental Advisory Committee first met in April and have been meeting almost every month since then. She stated that in August the committee will finalize its recommendations on dental quality measures for 2007-08. MRMIB staff will present recommendations to the Board in September.

Ms. Cummings also mentioned that dental is currently not a required benefit of SCHIP, however the House Bill would make it a required benefit, whereas the Senate would not.

Community Provider Plan Regulations

Ms. Rouillard informed the Panel that the Community Provider Plan (CPP) is designated in each county for the plan that supports safety net providers at a higher level than other plans. There is a scoring process that MRMIB uses to designate the CPP, and the CPP

designation provides for a lower premium to the families. The scoring is divided into 3 scores: hospital score, clinic score and CHDP provider score. MRMIB presented revised CPP regulations in June to the MRMIB Board, allowing community-based hospital outpatient clinics to be included in calculation of the clinic score. MRMIB also proposed to split the clinic calculation into two parts, the number of safety net clinics that the plans contract with and the number of services provided by those clinics. These changes would highlight the clinics that serve a higher number of the target population and give the plans that contract with them a little bit of an advantage. The Board has reviewed and approved the proposed regulations which will proceed through the administrative process. Ms. Rouillard also noted that in the office of Administrative Law process, there is an opportunity for public comment on the changes to the CPP designation.

Young Adult Health Care Survey (YAHCS)

Ms. Rouillard explained that this was the first year MRMIB has done a survey which focuses on teenagers from ages 14 to 18. The surveys were sent directly to the teenagers and 277 responded. The overall findings from this report were that when teenagers see their doctors, they are generally satisfied. She presented graphs showing high and low composite scores of all HFP plans and low scores for teens receiving counseling for risky behavior. Ms. Cummings noted that table 4 on the handout identifies “risky behavior” into categories such as depression, smoking, drinking, sexually active and so forth. Ms. Rouillard stated the YAHCS is being sent out again to collect data for this year.

Ms. Rouillard briefly mentioned that when the next Consumer Survey of Healthcare Providers and Systems (CAHPS) survey is administered, there will also be a survey on chronic care. It will differentiate between children receiving care from plans versus from CCS.

Dr. Beck stated that there are huge issues with teens and that an environment needs to be created where people take the time to address these issues. Dr. Beck suggested that having a reimbursement for risky behavior counseling to providers may be a start. Dr. Steven Tremain, M.D., also noted that teen access is also a problem since bad habits start at these ages and continue throughout life. However, the first step is getting them in the office to have the conversation. Dr. Tremain suggested having incentives and notes that San Francisco Health Plan has given out movie tickets for teens to come in. The Panel requested time on the next agenda to have more discussion on this matter. Dr. Tremain also requested staff to provide more information, best practices or any other sources that could help guide them in getting kids enrolled and getting them in to discuss these issues.

Rural Health Demonstration Project

Ms. Rouillard updated the Panel on the Rural Health Demonstration Projects (RHDP). Ms. Rouillard mentioned that the RHDP solicitation was sent out in May and MRMIB has received 144 project proposals. MRMIB has \$5.8 million dollars to distribute to projects. The largest topic for projects focus on access in rural areas which includes migrant workers, their families and American Indians, the second largest topic for projects focused on mobile clinics. 12 project proposals focused on diabetes and nutrition, and 7 dealt with mental health and substance abuse. The staff is currently evaluating the projects and will

be making their recommendations to the Board in September. Dr. Tremain requested an update on the approved RHDPs in November.

Ms. Rouillard touched on the RHDP Fact Book and noted that since 1998, 295 projects have been funded. Dr. Beck questioned if projects can only come from plans contracted with MRMIB to serve HFP. Ms. Cummings affirmed that only MRMIB plans can submit projects because MRMIB pays the plan and in turn, the plans pay their partner or contractor that will be carrying out the project. Ms. Rouillard added that 4 health plans and 3 dental plans submitted 143 projects, with 100 of them coming from dental plans. Ms. Jacobs also noted that MRMIB staff has gone to many rural roundtables to communicate that RHDP funding will be forthcoming. MRMIB has found that the southern roundtable is not as active as the northern one, however, this year they did get two proposals from Inland Empire Health Plan for projects on diabetes and on school based access. Ms. Jacobs assured the Panel that they are working with plans to get projects to new areas that have not yet been served.

Strategic Planning

Dr. Beck stated that the Panel decided Strategic Planning would be a standard agenda item at each meeting and that the purpose was to keep in mind the areas of focus and areas of interest. Ms. Cummings commented in the context of larger reform, separate advisory groups will be created to advise and address health care reform issues.

Mr. Campana suggested the topic of enrollment and retention be discussed. Dr. Tremain asked if staff had any information on why people are not re-enrolling. Ms. Cummings stated that the number of people not re-enrolling was 30%, but has dropped to 22%, so HFP has made progress on their 12 month measurements. Ms. Cummings noted changes coming from SB 437 eliminating the requirement to send in income documentation at AER will also have a positive impact.

Mr. Campana announced the next meeting would be on November 6, 2007 and the meeting was adjourned.